



BOW ENERGY LIMITED

ABN 63 111 019 857

NOTICE OF EXTRAORDINARY GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

Date of Meeting: 8 February 2008

Time of Meeting: 11.00am (Brisbane time)

Place of Meeting: Level 5, 60 Edward Street, Brisbane, Queensland

This Notice of Extraordinary General Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of shareholders of **BOW ENERGY LIMITED ABN 63 111 019 857 (Company)** will be held at the Company's registered office at Level 5, 60 Edward Street, Brisbane, Queensland, on 8 February 2008 at 11.00am (Brisbane time).

AGENDA

ORDINARY BUSINESS

RESOLUTION 1 – RATIFICATION OF PREVIOUS ISSUE OF SHARES

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution, without amendment:

*“That in accordance with the provisions of Listing Rule 7.4 of the Official Listing Rules of ASX Limited (**ASX**), and for all other purposes, shareholders ratify the previous issue by the Company of sixteen million (16,000,000) fully paid ordinary shares in the capital of the Company (**Previous Shares**) on 17 December 2007 at an issue price of twenty five cents (\$0.25) per Previous Share to those recipients (**Placement Recipients**), in those proportions and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.”*

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- any of the Placement Recipients; and
- any associate of any Placement Recipient.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

RESOLUTION 2 – ISSUE OF SHARES TO NICHOLAS MATHER (OR HIS NOMINEE)

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution, without amendment:

*“That in accordance with the provisions of Listing Rule 10.11 of the Official Listing Rules of ASX and for all other purposes, the Company be authorised to issue two million (2,000,000) fully paid ordinary shares in the capital of the Company (**Director Shares**) at an issue price of twenty five cents (\$0.25) per Director Share to Mr Nicholas Mather (or his nominee) and otherwise on the terms set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.”*

- The Company intends to issue the Director Shares as soon as practicable following the Extraordinary General Meeting and in any event no later than one (1) month from the date of the Extraordinary General Meeting.
- A summary of the proposed terms of the Director Shares is contained within the accompanying Explanatory Memorandum.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- Mr Nicholas Mather; and
- any associate of Mr Nicolas Mather.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides

RESOLUTION 3 – ISSUE OF SHARES TO STEPHEN BIZZELL (OR HIS NOMINEE)

To consider and, if thought fit, pass the following resolution as an Ordinary Resolution, without amendment:

“That in accordance with the provisions of Listing Rule 10.11 of the Official Listing Rules of the ASX and for all other purposes, the Company be authorised to issue two million (2,000,000) Director Shares at an issue price of twenty five cents (\$0.25) per Director Share to Mr Stephen Bizzell (or his nominee) and otherwise on the terms set out in the Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting.”

- The Company intends to issue the Director Shares as soon as practicable following the Extraordinary General Meeting and in any event no later than one (1) month from the date of the Extraordinary General Meeting.
- A summary of the proposed terms of the Director Shares is contained within the accompanying Explanatory Memorandum.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- Mr Stephen Bizzell; and
- any associate of Mr Stephen Bizzell.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

BY ORDER OF THE BOARD

Duncan Cornish
Company Secretary
3 January 2008

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum is provided to shareholders of **BOW ENERGY LIMITED ABN 63 111 019 857 (Company)** to explain the resolutions to be put to shareholders at the Extraordinary General Meeting to be held at the Company's registered office at Level 5, 60 Edward Street, Brisbane, Queensland, on 8 February 2008 at 11.00am (Brisbane time).

The Directors recommend shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Ordinary Resolutions

RESOLUTION 1 – RATIFICATION OF PREVIOUS ISSUE OF SHARES

Background

Pursuant to Resolution 1, the Company is seeking shareholder approval to ratify the previous issue of sixteen million (16,000,000) fully paid ordinary shares in the capital of the Company (**Previous Shares**) to those recipients identified in the table below (**Placement Recipients**) on 17 December 2007 in accordance with Listing Rule 7.4 of the Official Listing Rules of ASX Limited (**ASX**).

Under Listing Rule 7.4, an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval if the issue did not breach Listing Rule 7.1 (i.e. the issue did not exceed the fifteen percent (15%) limit under Listing Rule 7.1) and holders of the ordinary securities subsequently approve the issue.

Terms of the previous issue of shares

In accordance with Listing Rule 7.5, the Company advises that the Previous Shares were issued to the Placement Recipients as follows:

Name of Placement Recipient	Number of shares	Issue Price	Total amount paid
Bell Potter Nominees	1,200,000	\$0.25	\$300,000
Green Frog Nominees Pty Ltd <Nominee A/C>	800,000	\$0.25	\$200,000
Mr Donald Broadly Wright & Mrs Robyn Ruth Wright <Wright Super Fund A/C>	300,000	\$0.25	\$75,000
Mrs Catherine Liouisa Cornish	300,000	\$0.25	\$75,000
Fundhost Limited <Cygnet Microcap Opp Fund A/c>	2,000,000	\$0.25	\$500,000
Cyberspace Investments Pty Ltd	400,000	\$0.25	\$100,000
Trojan One Pty Ltd	200,000	\$0.25	\$50,000
Archem Trading (NZ) Ltd	300,000	\$0.25	\$75,000
Phillip Securities Pty Ltd <"D" A/C>	200,000	\$0.25	\$50,000
Gain Capital Management Pty Ltd	200,000	\$0.25	\$50,000
Fortis Clearing Nominees Pty Ltd <Settlement A/C>	300,000	\$0.25	\$75,000
ANZ Nominees Limited <Cash Income A/C>	5,000,000	\$0.25	\$1,250,000
Mr Gregory Michael Josephson & Mrs Mary Margaret Josephson <Josephson Super Fund A/C>	200,000	\$0.25	\$50,000
Mr Chris Barsha	200,000	\$0.25	\$50,000
Eastern Porphry Pty Ltd	200,000	\$0.25	\$50,000
Mirrup Pty Ltd <The DRK A/C>	200,000	\$0.25	\$50,000

Name of Placement Recipient	Number of shares	Issue Price	Total amount paid
Addinvest Pty Ltd <Leveraged Equities>	800,000	\$0.25	\$200,000
Robert Lord	400,000	\$0.25	\$100,000
Brian Lesleigh & Valerie Ruby Dawn Williams <Williams Super Fund A/C>	800,000	\$0.25	\$200,000
Tranco Pty Ltd <the Excelsior A/C>	400,000	\$0.25	\$100,000
Mr Simon William Tritton	100,000	\$0.25	\$25,000
Limits Pty Ltd <Duncan Gamble Family A/C>	400,000	\$0.25	\$100,000
Dougal Malcolm Henderson	100,000	\$0.25	\$25,000
Berenes Nominees Pty Ltd <ATF Berenes Nominees Pty Ltd Superannuation Fund>	400,000	\$0.25	\$100,000
Shaun Edward Scott	200,000	\$0.25	\$50,000
Tricom Nominees Pty Ltd <LPG A/C>	400,000	\$0.25	\$100,000
Total	16,000,000	\$0.25	\$4,000,000

Sixteen million (16,000,000) Previous Shares were issued at twenty five cents (\$0.25) each and, as such, four million dollars (\$4,000,000) was raised by the Company. The Previous Shares issued to the Placement Recipients rank pari passu in all respects with all other issued fully paid ordinary shares in the Company.

The Company is using and intends to use the funds raised from the issue of the Previous Shares for ongoing exploration and appraisal activities including:

- reserve certification drilling and pilot work as required for the Don Juan Coal Seam Gas project;
- seismic reprocessing, new seismic acquisition and drilling program in the Surat Basin;
- drilling at the Don Juan shallow oil project;
- oil enhancement work in the Surat Basin; and
- other working capital requirements.

RESOLUTIONS 2 AND 3 – ISSUE OF DIRECTOR SHARES

The Directors have resolved to refer to members for approval of the proposed issue of two million (2,000,000) fully paid ordinary shares to Mr Nicholas Mather and two million (2,000,000) fully paid ordinary shares to Mr Stephen Bizzell (or their respective nominees) each a Director of the Company (each a **Recipient**) (**Director Shares**).

Approval for the issue of the Director Shares is sought in accordance with the provisions of Listing Rule 10.11. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

The Director Shares are being issued to Mr Nicholas Mather and Mr Stephen Bizzell on the same terms of the placement of the Previous Shares described in Resolution 1.

Regulatory Requirements

Listing Rule 10.11

Listing Rule 10.11 requires an entity to obtain the approval of shareholders to an issue of securities to a related party. Both of Mr Nicholas Mather and Mr Stephen Bizzell, being directors of the Company, are related parties. Accordingly, because the issue of the Director Shares will result in the Company issuing securities to a related party, approval under Listing Rule 10.11 is required.

For the purposes of Listing Rule 10.13, the Company advises that the Director Shares will be issued to the Recipients as follows:

Name of Recipient	Number of shares	Issue Price	Total amount paid
Mr Nicholas Mather (Non-Executive Director) or his nominee	2,000,000	\$0.25	\$500,000
Mr Stephen Bizzell (Non-Executive Director) or his nominee	2,000,000	\$0.25	\$500,000

The maximum number of Director Shares to be issued to Mr Nicholas Mather and Mr Stephen Bizzell is 2,000,000 Director Shares each.

The Director Shares will be issued as soon as practicable following the Extraordinary General Meeting and, in any event, no later than one (1) month from the date of the Extraordinary General Meeting.

A total of four million (4,000,000) Director Shares will be issued at twenty five cents (\$0.25) each and, as such, a total of one million dollars (\$1,000,000) will be raised by the Company. The Director Shares that are to be issued to the Recipients will rank pari passu in all respects with all other issued fully paid ordinary shares in the Company.

The Company is using and intends to use the funds raised from the issue of the Director Shares for ongoing exploration and appraisal activities including:

- reserve certification drilling and pilot work as required for the Don Juan Coal Seam Gas project;
- seismic reprocessing, new seismic acquisition and drilling program in the Surat Basin;
- drilling at the Don Juan shallow oil project;
- oil enhancement work in the Surat Basin; and
- other working capital requirements.

In accordance with Listing Rule 7.2 (Exception 14), as approval is being sought under Listing Rule 10.11, approval is not required to be obtained under Listing Rule 7.1.

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Save as set out in this Explanatory Memorandum, the directors are not aware of any other information that will be reasonably required by shareholders to make a decision in relation to the transactions contemplated by Resolutions 2 and 3.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Duncan Cornish (Company Secretary):

*Level 5, 60 Edward Street
Brisbane QLD 4000
Phone: (07) 3303 0675
Fax: (07) 3303 0651*

**BOW ENERGY LIMITED ABN 63 111 019 857
PROXY FORM**

APPOINTMENT OF PROXY

being a member/s of Bow Energy Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting **OR**
(mark with an "X")

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Extraordinary General Meeting of Bow Energy Limited to be held at Level 5, 60 Edward Street, Brisbane, Queensland, on 8 February 2008 at 11.00am (Brisbane time) and at any adjournment of that meeting.

If you do not wish to direct your proxy how to vote please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman of the meeting intends to vote undirected proxies in favour of the resolutions. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

If no directions are given, the proxy may vote as the proxy thinks fit or may abstain. By signing this appointment you acknowledge that the proxy (whether voting in accordance with your directions or voting in their discretion under an undirected proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

Voting directions to your proxy – please mark

	For	Against	Abstain*
Resolution 1 Ratification of previous issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Issue of shares to Nicholas Mather (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Issue of shares to Stephen Bizzell (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular item, you are directing your proxy **not** to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Execution

This section *must* be signed in accordance with the instructions below to enable your directions to be implemented.

Individual or Security holder 1

**Sole Director and
Sole Company Secretary
(If appointed)**

Security holder 2

Director

Security holder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

____/____/
Date

Appointment of Multiple Proxies

A member may appoint more than one proxy. If two (or more) proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is []%. (An additional proxy form will be supplied by the Company on request or you may copy this form.)

Exercising voting power over only part of your shares

If you wish to appoint the proxy to exercise voting power over only some of your shares, the number of shares in respect of which this proxy is to operate is shares. (Note: proxy will be over all shares if left blank.)

How to Complete the Proxy Form

1. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company.

2. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate section. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

3. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy this form.

Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

To appoint on a second proxy you must:

- (a) on each of the first proxy form and the second proxy form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) Return both forms together in the same envelope.

4. Signing Instructions

You must sign this form as follows in the spaces provided:

- | | |
|--------------------|---|
| Individual: | where the holding is in one name, the holder must sign. |
| Joint Holding: | where the holding is in more than one name, all of the security holders should sign. |
| Power of Attorney: | to sign under power of attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it. |
| Companies: | <ul style="list-style-type: none">▪ Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person.▪ If the company (pursuant to section 204A of the <i>Corporations Act 2001</i>) does not have a Company Secretary, a Sole Director can also sign alone.▪ Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place. |

Lodgement of a Proxy

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at, posted to, or sent by facsimile transmission to the address listed below, or the Share Registry, Link Market Services Limited, Level 12, 300 Queen Street, Brisbane, Qld, Australia, 4000 not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Documents may be lodged with the Company:

IN PERSON: Bow Energy Limited, Level 5, 60 Edward Street, Brisbane, Queensland

BY MAIL: Bow Energy Limited, GPO Box 5244, Brisbane, Queensland

BY FAX: (07) 3303 0651